

# HOUSE . . . . . No. 1645

By Mrs. Parente of Milford, petition of Marie J. Parente and others relative to establishing a special commission (including members of the General Court) to make an investigation and study of the use of off-shore outsourcing of labor in state contracts. State Administration and Regulatory Oversight.

## The Commonwealth of Massachusetts

### PETITION OF:

Marie J. Parente	Christine E. Canavan
Richard T. Moore	Frank I. Smizik
Joyce A. Spiliotis	Dianne Wilkerson
Bruce E. Tarr	Kathleen M. Teahan
Lida E. Harkins	Gale D. Candaras
Barbara A. L'Italien	

In the Year Two Thousand and Five.

AN ACT RELATIVE TO THE ESTABLISHING OF A SPECIAL COMMISSION TO  
STUDY THE USE OF OFF-SHORE LABOR IN STATE CONTRACTS.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Whereas, in recent years, a number of companies  
2 have replaced highly skilled workers in the commonwealth with  
3 lower-paid foreign workers, a practice commonly known as off-  
4 shore outsourcing; whereas, such off-shore outsourcing trends are  
5 occurring during a period of significant job loss in the common-  
6 wealth; whereas, white-collar occupations, including technology  
7 and computer specialists, financial analysts, accountants, office  
8 support workers, and call center employees are among those occu-  
9 pations most vulnerable to off-shore outsourcing; whereas, the  
10 preservation of jobs in the commonwealth is of the utmost impor-  
11 tance to the economic health of the commonwealth; the economic  
12 dislocation caused by a company off-shore outsourcing jobs out-  
13 side of the commonwealth and the United States poses a threat of  
14 harm to the health, safety and welfare of the residents of the com-  
15 monwealth; therefore there is an immediate need to establish a

16 special commission to study the effects of off-shore outsourcing  
17 on the commonwealth and its residents and possible legislation to  
18 address and mitigate the effects of off-shore outsourcing and to  
19 govern contracts between the commonwealth and its vendors.

1 SECTION 2. There shall be established a special commission  
2 to consist of four members of the senate, who shall be appointed  
3 by the president of the senate, four members of the house of repre-  
4 sentatives of the house, who shall be appointed by the speaker of  
5 the house of representatives, and five persons to be appointed by  
6 the governor, one of whom shall be the secretary of administration  
7 and finance or his designee, one of whom shall be the a represen-  
8 tative of the operational services division of the executive office  
9 for administration and finance, one of whom shall be a representa-  
10 tive of the information technology division of the executive office  
11 for administration and finance or his designee, and one of whom  
12 shall be a person with special expertise in the subject of the off-  
13 shore outsourcing of jobs and the economic and other effects  
14 thereof, for the purpose of making an investigation and study  
15 relative to the offshore off-shore outsourcing of jobs by businesses  
16 entering into contracts to provide goods or services to the com-  
17 monwealth, to make formal recommendations regarding said off-  
18 shore outsourcing and to file proposed legislation, if any, to  
19 effectuate such recommendations relating to the administration  
20 and regulation of state contracts with such businesses. All  
21 appointments to said commission shall be made within 30 days of  
22 the effective date hereof. The commission shall hold its organiza-  
23 tional meeting within 60 days of the effective date hereof. The  
24 chairman of said commission shall be selected by the members  
25 thereof. Section 2A of chapter 4 of the General Laws shall not  
26 apply to said commission. No member of said commission shall  
27 be found in violation of section 6, 7 or 23 of chapter 268A of the  
28 General Laws for conduct that involves his participation as a  
29 member of said commission, if he discloses any financial interest  
30 described in said section 6 or 7 or other interest described in said  
31 section 23 to the state ethics commission in writing before his par-  
32 ticipation as a member of said commission. Seven members of  
33 the commission shall constitute a quorum and a majority of all  
34 members present and voting shall be required for any action voted

35 by the commission including, but not limited to, voting on formal  
36 recommendations or proposed legislation. The commission shall  
37 conduct not fewer than two public hearings.

38 Said commission, as part of its review, analysis and study, in  
39 making such recommendations regarding relating to the off-shore  
40 outsourcing of jobs in the commonwealth and the administration  
41 and regulation of state contracts with businesses that employ of  
42 use off shore labor, shall focus on and consider the following  
43 issues, proposals and impacts:

44 (1) the extent of the use, and the effects thereof, of off-shore  
45 labor by vendors under state contracts;

46 (2) the extent of the use, and the effects thereof, of off-shore  
47 labor by private and public employers in the commonwealth;

48 (3) the economic impact to the commonwealth of contracting  
49 with vendors using off-shore labor;

50 (4) security issues associated with use of off-shore labor with  
51 access to personal information of residents of the commonwealth;

52 (5) the economic impact and the extent of job loss in the com-  
53 monwealth due to off-shore outsourcing of jobs;

54 (6) the economic sectors most affected by off-shore outsourcing  
55 of jobs;

56 (7) the potential economic effect on the commonwealth of  
57 taking measures to limit or eliminate the use of off-shore labor in  
58 carrying out contracts with the state;

59 (8) identification of methods by which off-shore outsourcing of  
60 jobs may properly be addressed and governed by state law,  
61 including but not limited to the determination of appropriate and  
62 feasible methods of regulating state contracts with vendors using  
63 off-shore labor in the execution of state contracts;

64 (9) recommendations as to specific state laws that may be prop-  
65 erly used to address, regulate and reduce the off-shore outsourcing  
66 of jobs;

67 (10) survey of the extent of use and effects of the use of off-  
68 shore labor in the United States including, but not limited to, an  
69 analysis and review of the issues addressed in clauses (1) through  
70 (9), inclusive, by said commission, as such are material and rele-  
71 vant to the survey; and

72 (11) consideration of any other issues, studies, proposals or  
73 impacts that, in the judgment of the commission, may be relevant,

74 pertinent or material to the study, analysis and review of said com-  
75 mission.

76 Said commission shall submit, not later than 270 days after the  
77 effective date of this statute, a copy of a final report of its findings  
78 resulting from its study, review, analysis and consideration,  
79 including legislative recommendations, if any, to the clerks of the  
80 house of representatives and the senate, the governor, the presi-  
81 dent of the senate, the speaker of the house of representatives, the  
82 chairmen of the house and senate committees on ways and means,  
83 the house and senate committee on long term debt and capital  
84 expenditures, and the chairmen of the joint committee on com-  
85 merce and labor. Any department, division, commission, public  
86 body, authority, board, bureau or agency of the commonwealth  
87 shall cooperate with the commission for the purpose of providing  
88 information or professional expertise and skill relevant to the use  
89 of off-shore outsourcing in the commonwealth.

1 SECTION 3. The commission shall dissolve upon the filing of  
2 its final report as provided herein.